

DDP/A 75-4485

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STAT

MEMORANDUM FOR:

Jim:

1. I have read the entirety of the "Study Group Paper" and offer you now some preliminary reactions. I say "preliminary" because I would not now be prepared to give a final vote on your Option 1 or Option 2 contained in the section entitled "Basic Approaches to Community Organization" until I both had more time to thoughtfully think through the ramifications of both Options and, additionally, until I heard some very serious discussion on both Options. While I have developed a leaning, which I will mention below, it is only a leaning and certainly not a vote.

2. Allow me, then, to make some general observations and some specific comments.

3. I am very impressed with the thoroughness and thoughtfulness of the "Study Group Paper" itself. I believe it is an excellent analysis of what we call the "Intelligence Community", its problems and stresses, and, in general, a very good expose of the issue. My first reaction upon reading it was that it should be mandatory reading for each member of the Senate and House Select Committees. While there may be other illuminative documents available which give the same insight into the Intelligence Community, I am not aware of their existence.

4. I know not who authored what, but the caliber of the Study itself exceeds the collective caliber of the annexes. Further, there is not much uniformity of excellence amongst the annexes. In certain cases the annexes do not expand, but merely overlap on the Study itself. I would make specific reference to two annexes. I believe the one on the Clandestine Service sorely need rewriting and some condensation. I further believe the one on "External Oversight on Intelligence" is underwritten and needs more expansion. In the last analysis, "external oversight" is going to be, as I see it, one of the main issues that comes out of all the investigations.

5. Returning to the "Study Group Paper", i.e., sans annexes, it is not clear to me as to the audience for which the Study is written. Is it envisioned for both in-house, White House and Congressional consumption? The formulation of a more precise reaction to the efficacy of the paper would be somewhat dependent on the audience for which it is intended.

6. I would further comment on two matters contained in the "Study Group Paper". I am impressed and have great respect for that part of the paper which develops the need for Department of Defense, in peace time, to have an operating intelligence capability so that the military controlled contingency is there the day hostilities break out. The excellence of this analysis does, to me, compound somewhat the matter of taking a position on Option 1 or Option 2 which represents your recommendations.

7. My last general comment represents my leaning toward the options. Without having heard the case argued, I would lean at the moment toward Option 2. Option 1 appears to me to be somewhat "more of the same" and rather argues to correct what current deficiencies in the Community may exist between the creation of more committees and consultative bodies. Conversely, Option 2 appears to bite the bullet and reorders the world that has existed for 28 years. I, again, underscore that I reflect only a leaning and not a thoughtfully considered position.

8. Retreating now to the specifics, I would offer a series of comments, some minor and some major on those I noted in the "Study Group Paper" upon first reading:

(a) Page 4--After the word technology in the first line add "and covert action activities such as Laos, etc."

(b) Page 5--The philosophy of the first paragraph bothers me a little bit. To what "earlier generation" is the new generation tending to return? Remember that earlier generations represented both isolationism and internationalism.

(c) Page 6--The bias of the author who inserted the word "jackass" in front of "experiments with LSD" showed forth. Ill advised, perhaps, but "jackass" no!

(d) Pages 11 and 12--With the shadow of Watergate still upon us and the history of the White House trying to illegally use U.S. Government agencies, I would suggest some reworking of this paragraph.

(e) Page 38--I address myself to the last sentence of the first paragraph. While it is true that the responsibility of the Director in war is nowhere defined in statute, there are some agreements with the Department of Defense which perhaps should be mentioned.

(f) Page 46--I do not accept the premise that the "concept of ENMCC" is, of course, valid for the conduct of military affairs in war time. The attitudes of non-belligerent countries and economic leanings toward belligerence, their record of assuming neutrality, etc., all argue for Department of State and DCI membership in ENMCC.

(g) Page 58--There is a non sequitur in the second sentence of the last paragraph. There is no "overseas network of Stations" that exist solely for covert action. Indeed, those Stations existed before we ever got into covert action and would continue to exist if we had no covert action responsibility.

(h) Page 76--I address myself to the fourth line on this page. It is not my understanding that the Rockefeller Commission recommended a second Deputy who would be a "military officer to preside over the Community". I think someone has extrapolated the recommendation much too far and, additionally, I believe the recommendation to be in conflict with the thrust of the option.

(i) Option 2--My observation here is not relegated to a specific page but to a concept. It is unclear to me, under war time conditions, the role or organizational location of the FIA. If the FIA is to report to the NSC through the DGI, and if the DGI is seconded to the Secretary of Defense in war time, does that mean that the FIA also in war time is seconded to the Secretary of Defense?

Signed: John F. Blake
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Deputy Director
for
Administration